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Research Notes

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VIEWER AND LISTENER SUBSCRIPTION INCOME FOR PUBLIC TELEVISION AND RADIO GRANTEES FISCAL YEAR 1989

Subscription programs of public broadcasting stations (grantees) continue to show steady increases in terms of the amount of subscription income as well as in the number of individual contributors. Public support of public broadcasting has been gaining ground steadily and substantially, as reflected in the long-term success of subscription programs for public television and radio stations.

In Fiscal Year 1970, subscription income for public broadcasting amounted to a mere $7 million, or 5 percent of total industry income ($145 million). In FY 1983, for the first time in pubic broadcasting history, subscriptions became the largest single revenue source (19.5 percent or $175 million of $899 million in total income) out of 11 major categories of income sources identified for the industry. Since then, the share from subscriptions has continually increased through FY 1988, and, in FY 1989, it accounted for 21.1 percent ($322.5 million) of total industry income ($1.5 billion), down slightly from 21.7 percent in FY 1988.

This edition of *Research Notes* presents public television and radio station activities in terms of subscription income and subscribers through FY 1989, based on the CPB Annual Financial Report surveys.

Subscription Income and Subscribers of Public Broadcasting Stations Through 1989

For public television grantees, the number of subscribers increased from 236,000 in 1970 to 2.5 million in 1980, and it rose to 4.9 million in 1989 (Table 1).[1] In FY 1970, when the Corporation for Public Broadcasting conducted the industry survey for the first time, subscription income reached $6.4 million or 6.4 percent of total cash income, and, in FY 1989, it accounted for $263 million or 21.1 percent of cash income.

The per-person contribution also went up remarkably, from $27 in 1970 to nearly $53 in 1989.

Among those stations reporting subscription programs in FY 1989, subscription income ranged from a low of $5,200 to nearly $27 million.

For public radio grantees, the number of subscribers increased from 33,000 in 1970 to 487,000 in 1980, and it jumped to over 1.2 million in FY 1989 (Table 2).

Subscription income as a percentage of total cash income showed a steady increase from a low of 6.9 percent in 1973 to a high of 26.3 percent in FY 1986, and it slightly dropped to 24.5 percent in FY 1989. The per-person contribution increased from $27 in 1970 to nearly $49 in FY 1989.

Among the grantees reporting subscription programs in FY 1989, income from this source ranged from a few hundred dollars to over $1.7 million.

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1 The earliest data available for television subscription are those for 1967, which were collected and reported by the first Carnegie Commission on Public Television. According to the Commission's 1967 survey, television subscription income amounted to $3.9 million, although the number of subscribers for that year is not available. Two subsequent years' data (1968-1969) were gathered and reported by the former National Association of Educational Broadcasters (Table 1). For those years, the subscriber counts are also not available.

Public Broadcasting Grantees and Subscription Programs

Of the 194 **television grantees** examined, all but 21 or 11 percent raised funds from subscriptions in 1989 (Table 3). In the early 1970's, most grantees that reported successful subscription programs were licensed to community organizations; however, numerous institutional licensees have developed subscription programs and have been successful in public fund-raising since then. For instance, among state-licensed television grantees, 31 percent (10 out of 32) had no subscription income in 1989, while more than 55 percent (or 16 grantees) reported no subscription income in 1980. Furthermore, out of these ten state-licensed grantees in 1989, seven were licensed to two state licensees, and one grantee's subscription income was reported by another jointly operated university-licensed grantee.

At the same time, more and more **public radio grantees** have raised funds directly from the public since 1970. In 1989, over 87 percent of the total 316 public radio grantees reported income from subscriptions, while only 71 percent of all public radio grantees reported having subscription contributions in FY 1980 (Table 4).

In general, grantees which did not have subscription income or grantees which were not particularly successful in subscription programs in 1989 had at least one of the following characteristics:

(1) They were institutional licensees;

(2) They were prohibited from or restricted in fund-raising directly from the public by state statutes or local ordinances;

(3) Some of them, although a few in number, raised monies from the public through "friends groups";

(4) They employed unusual financial accounting systems so that subscriptions might be reported by other jointly operated grantees, or underwent the drastic changes in funding mechanisms during the reporting period; or

(5) They were new grantees or otherwise had relatively small operating budgets.

Average Grantee Subscription Profiles for Fiscal Year 1989

For **public television**, the average grantee's subscription income and number of subscribers varied greatly according to operating budget size and licensee type in 1989, particularly for the largest budget category (Table 3).

Average subscription income and number of subscribers ranged from $126,000 and 2,400 in the small operating budget category (less than $2.5 million in operating budget) to nearly $7 million and 121,000, respectively, in the largest budget category ($6 million in operating budget).

Overall, community-licensed grantees led in subscription income, number of subscribers, and subscription as a percentage of total income.

Subscription income as a percentage of gross and cash income also varied among the grantees in the different budget and licensee categories.

Public radio average grantee's subscription profiles are shown in Table 4. Average subscription income and number of subscribers ranged from $26,000 and 500 (in the small "less than $600,000 in operating budget category") to nearly $540,000 and 14,000 (in the large "over $1 million in operating budget category"), respectively.

The differences in subscription characteristics by budget category and licensee type are similar to those for public television grantees, with the exception of local authority-licensed grantees in subscription income, and of the largest budget category, for number of subscribers.

If you have questions about the data contained in this report, please contact Young Lee at (202) 879-9674. We also welcome any comments and recommendations about how to make reporting of these data more useful to you.

Table 1
SUBSCRIPTION INCOME AND NUMBER OF SUBSCRIBERS
PUBLIC TELEVISION GRANTEES, FISCAL YEAR 1967-1989

Fical Year	Subscription Income (In $000)	Subscription as % of Cash Income	Number of Subscribers (In 000)	Per Person Contribution	Total Cash Income (In $000)
1967	$3,866	7.10%	n/a	n/a	$54,324
1968	$5,358	8.00%	n/a	n/a	$66,719
1969	$5,747	6.80%	n/a	n/a	$84,928
1970	$6,413	6.40%	236	$27.17	$99,956
1971	$8,445	6.00%	257	$32.86	$140,816
1972	$10,357	6.60%	597	$17.35	$157,915
1973	$16,619	9.40%	772	$21.53	$175,892
1974	$20,906	10.50%	1,019	$20.52	$200,001
1975	$28,723	11.60%	1,315	$21.84	$248,062
1976	$37,887	13.00%	1,797	$21.08	$290,861
1977	$45,229	13.10%	1,889	$23.94	$344,378
1978	$55,105	14.30%	2,142	$25.73	$384,604
1979	$62,936	14.50%	2,297	$27.40	$432,676
1980	$73,799	14.90%	2,450	$30.12	$493,913
1981	$95,463	17.30%	2,500	$38.19	$551,366
1982	$120,081	20.00%	2,800	$42.89	$600,826
1983	$146,587	22.90%	3,300	$44.42	$639,959
1984	$158,029	23.00%	3,682	$42.92	$686,524
1985	$184,197	23.10%	3,973	$46.36	$797,039
1986	$199,741	24.50%	4,327	$46.16	$813,798
1987	$221,932	23.80%	4,466	$49.69	$931,996
1988	$242,241	24.40%	4,675	$51.82	$991,206
1989*	$263,451	24.10%	4,927	$53.47	$1,094,126

* Preliminary data.

Source: Corporation for Public Broadcasting- Policy Development and Planning
September 1990

Table 2
SUBSCRIPTION INCOME AND NUMBER OF SUBSCRIBERS
PUBLIC RADIO GRANTEES, FISCAL YEARS 1970-1989

Fical Year	Subscription Income (In $000)	Subscription as % of Cash Income	Number of Subscribers (In 000)	Per Person Contribution	Total Cash Income (In $000)
1970	$899	9.60%	33	$27.24	$9,377
1971	$973	8.00%	40	$24.33	$12,127
1972	$1,110	7.20%	53	$20.94	$15,421
1973	$1,296	6.90%	64	$20.25	$18,802
1974	$1,969	9.00%	100	$19.69	$21,778
1975	$3,524	13.20%	190	$18.55	$26,708
1976	$4,412	13.30%	222	$19.87	$33,265
1977	$5,376	12.40%	257	$20.92	$43,458
1978	$7,211	13.90%	317	$22.75	$51,951
1979	$9,685	15.50%	402	$24.09	$62,478
1980	$12,095	15.20%	487	$24.84	$79,547
1981	$16,103	17.10%	606	$26.57	$94,298
1982	$21,963	20.00%	670	$32.78	$109,903
1983	$28,882	23.60%	850	$33.98	$122,168
1984	$34,865	25.80%	919	$37.94	$135,254
1985	$40,200	25.40%	979	$41.06	$158,035
1986	$45,873	26.30%	1,088	$42.16	$174,692
1987	$52,093	24.70%	1,185	$43.96	$210,659
1988	$54,842	24.60%	1,178	$46.56	$222,990
1989*	$59,801	24.50%	1,225	$48.82	$243,841

* Preliminary data.

Source: Corporation for Public Broadcasting- Policy Development and Planning
September 1990

Table 3
AVERAGE GRANTEE PROFILES
FOR SUBSCRIPTION INCOME AND SUBSCRIBERS BY OPERATING BUDGET SIZE AND LICENSEE TYPE
PUBLIC TELEVISION GRANTEES, FISCAL YEAR 1989

Operating Budget and Licensee Type	Number of Grantees	Average Subscription Income	Subscription as % of Gross Income*	Subscription as % of Cash Income	Average Number of Subscribers	Subscription per Subscriber	Grantees with Subs. Program as % of All Grantees
Operating Budget: $6 Million or More							
Community	22	$6,958,384	26.90%	30.20%	120,953	$57.53	100.00%
University	11	$1,929,238	20.80%	23.90%	36,792	$52.44	100.00%
Local Authority	1	**	**	**	**	**	**
State	10	$1,454,410	9.80%	11.10%	32,086	$45.33	70.00%
Grand Total	44	$4,292,049	22.80%	25.70%	76,967	$55.76	90.90%
Operating Budget: $2.5 Million - $5.9 Million							
Community	35	$1,032,041	24.80%	28.00%	21,153	$48.79	100.00%
University	17	$712,565	16.30%	20.80%	13,843	$51.47	94.10%
Local Authority	5	$346,044	10.20%	11.80%	6,286	$55.05	80.00%
State	10	$543,938	10.70%	12.30%	12,143	$44.79	80.00%
All Licensees	67	$826,935	19.30%	22.50%	16,844	$49.09	94.00%
Operating Budget: Less than $2.5 Million							
Community	35	$332,665	20.10%	22.10%	6,277	$53.00	94.30%
University	33	$153,629	9.30%	12.10%	3,148	$48.81	81.80%
Local Authority	3	$323,883	15.70%	19.90%	19,866	$16.30	100.00%
State	12	$125,926	7.60%	10.20%	2,397	$52.55	58.30%
All Licensees	83	$231,275	13.80%	16.80%	4,963	$46.60	84.30%
Operating Budget Sizes							
Community	92	$2,183,143	26.00%	29.20%	39,359	$55.47	97.80%
University	61	$629,590	16.60%	20.40%	12,195	$51.62	88.50%
Local Authority	9	$300,208	8.40%	9.80%	10,114	$29.68	77.80%
State	32	$671,706	9.80%	11.30%	14,720	$45.63	68.80%
All Licensees	194	$1,357,993	21.00%	24.10%	25,397	$53.47	89.20%

*Gross income refers to income from all sources including cash indiret and in-kind income.
**Data for a category represented by fewer than three grantees are not presented in this table.

Source: Corporation for Public Broadcasting, Policy Development and Planning, September 1990

Table 4
AVERAGE GRANTEE PROFILES
FOR SUBSCRIPTION INCOME AND SUBSCRIBERS BY OPERATING BUDGET SIZE AND LICENSEE TYPE
PUBLIC RADIO GRANTEES, FISCAL YEAR 1989

Operating Budget and Licensee Type	Number of Grantees	Average Subscription Income	Subscription as % of Gross Income*	Subscription as % of Cash Income	Average Number of Subscribers	Subscription per Subscriber	Grantees with Subs. Program as % of All Grantees
Operating Budget: $1 Million or More							
Community	31	$539,377	29.50%	32.20%	10,625	$50.76	100.00%
University	49	$379,853	21.70%	29.00%	7,142	$53.19	98.00%
Local Authority	6	$580,034	19.00%	22.90%	13,731	$42.24	83.30%
State	4	$375,832	18.60%	20.00%	12,857	$29.23	75.00%
All Licensees	90	$447,967	23.90%	29.00%	9,035	$49.58	96.70%
Operating Budget: $600,000-$999,999							
Community	25	$229,523	29.20%	34.50%	3,663	$62.66	100.00%
University	71	$97,296	12.10%	16.40%	2,070	$47.01	93.00%
Local Authority	5	$69,562	8.90%	11.90%	1,835	$37.91	80.00%
State	6	$86,474	10.80%	13.80%	3,133	$27.60	50.00%
All Licensees	107	$126,288	15.80%	20.70%	2,491	$50.70	91.60%
Operating Budget: Less than $600,000							
Community	44	$76,613	19.40%	23.10%	1,685	$45.47	90.90%
University	63	$34,102	7.20%	10.20%	1,030	$33.10	74.60%
Local Authority	9	$41,518	9.40%	12.20%	526	$78.88	33.30%
State	3	$26,282	7.10%	9.00%	547	$48.05	33.30%
All Licensees	119	$50,184	11.40%	15.10%	1,222	$41.06	76.50%
All Operating Budget Sizes							
Community	100	$258,297	27.60%	31.00%	4,951	$52.17	96.00%
University	183	$151,198	16.00%	21.70%	3,070	$49.25	88.00%
Local Authority	20	$210,084	16.10%	19.80%	4,815	$43.63	60.00%
State	13	$161,617	15.00%	17.30%	5,528	$29.24	53.80%
All Licensees	316	$189,246	19.50%	24.50%	3,877	$48.82	87.30%

*Gross income refers to income from all sources including cash indiret and in-kind income.
**Data for a category represented by fewer than three grantees are not presented in this table.

Source: Corporation for Public Broadcasting, Policy Development and Planning, September 1990